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MEMORANDUM FOR: THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Central Intelligence (CI) vs.  
Covert Operations (CO)

22 Oct 51

1. This memorandum is responsive to your request at the Assistant Directors staff conference 22 October 1951, that Assistant Directors make appropriate suggestions as to how you can prevent CIA's rapidly expanding covert operations from turning CIA into a black war department at the expense of its statutory intelligence mission.

2. There is a classic solution to this problem which I suggest to you. This is to "brigade" Central Intelligence with Covert Operations, rather than treat CO as one of many CI offices.

3. As you have stated to me, the President "hired" you to spend full time worrying for him to insure early intelligence to prevent another Pearl Harbor. This is a full time job for a big-time worrier.

4. You are now becoming, to an increasing degree, the President's Chief of Staff for the Cold War. This is another full time job for a big-time operator.

5. The proper discharge of your dual responsibilities to the President would therefore seem to require that you designate a full time Vice or Deputy to each job with command authority commensurate with the responsibility for each full time job. One would head the CI department and the other the CO department. They would each be responsible to the President through you. You would be, in effect, an Assistant to the President for supervising and directing for him these two separable but closely related major activities of the government.

6. This raises the issue whether or not CIA should continue on its present centralized support arrangement. In my opinion the centralized support theory is inconsistent with the separable department theory, and so long as you remain on this centralized theory you will always run the risk that a tail will wag a dog.

7. Under my proposal it would follow that you give each of your deputies (i.e., for Intelligence and Covert Operations) authority over logistics support commensurate with their operational responsibilities.

8. Not only is this the logical solution to prevent "gobbling up" the other, but it is the logical organizational solution.

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solution based on an objective analysis of the entirely different support problems of the two "departments". One is overt, the other covert. One is small, the other large. One consists primarily of centralized Washington offices, the other primarily of a globally dispersed network. To build a support mechanism appropriate to the one is to do the other a disservice.

9. A complete separation of CIA's covert and overt activities would also solve the problem which you mentioned in connection with the Bureau of the Budget. The overt intelligence budget could be submitted separately and would be treated by the Bureau of the Budget in the same way as in the past. On the other hand, the budget for covert activities, as you have recognized, must undoubtedly be subjected to a completely different degree of BOB scrutiny and require special handling vis-a-vis State, Defense and the Congress. I for one feel that such scrutiny and special handling is desirable.



10. I therefore recommend:

a. That you reorganize CIA into two major subdivisions each under a co-equal Deputy Director. One of these elements would be the continuation of CIA as created by the National Security Act. The other would be the covert apparatus, such as visualized in the proposed merger of the covert offices. Each element would be responsible for all aspects of support required for the accomplishment of its mission. This could best be accomplished by a transfer of the present covert administrative offices to the Deputy for Covert Operations.

b. That your own staff consist of the following two elements:

(1) A Vice Director assisted by a small staff of personal assistants to you. This group would assist and support you in your external relationships with the President, the National Security Council, the Congress, and the public.

(2) A review, analysis, audit and inspection element comparable to a modern business comptroller-ship. This element of the staff would provide you with the control information you would need to

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determine how the two principal subordinate elements stood against their respective missions and how effectively they were utilizing the resources which have been placed under their administration. This comptroller element would also establish standards for the discharge of the trusteeships over money, material and personnel, and thus provide you with all the information necessary for you to assure yourself of an adequate discharge of your own trusteeship over these resources.

KILBOURNE JOHNSTON  
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Policy Coordination

CC:

Senior Consultant to DCI

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